



## **HHS Circular C-046**

### **Delegation of Signature and Threshold Limits for Contracts**

#### **Purpose**

To define and clarify delegation of signature authority and threshold limits for Health and Human Services Commission (HHSC) contracts, and the health and human services (HHS) agencies' contracts.

#### **Directive**

This circular applies to all specific contracts, amendments, renewals, and/or extensions; purchase orders; purchase order change notices; and all binding and non-binding commitments, which require the execution of agreements, contracts, and amendments for the acquisition of goods and/or services that apply to HHSC and all HHS agencies.

This circular supersedes all delegations of signature authority for contracts, amendments, renewals, and/or extensions for binding and non-binding commitments which require the execution of agreements, contracts, renewals, extensions, and amendments for the acquisition of goods and/or services in effect at that time.

The following matrix identifies the approved delegations of signature authority by title and the corresponding threshold limits for contracts which are signed by the Executive Commissioner, Chief Deputy Executive Commissioner, Inspector General, agency commissioners, deputy executive commissioners, chief operating officers, chief financial officers, associate commissioners, assistant commissioners, and deputy commissioners.

<b>Contracts/Threshold Limits</b>	<b>Authority/Delegation</b>
All enterprise contracts, extensions, renewals, and amendments; purchase orders; binding and non-binding commitments exceeding \$999,999.99	<ul style="list-style-type: none"><li>• Executive Commissioner</li><li>• Chief Deputy Executive Commissioner</li></ul>
All agency contracts, extensions, renewals, and amendments; binding and non-binding commitments from \$0.00 to \$999,999.99 for respective agency/divisions/programs	<ul style="list-style-type: none"><li>• Commissioners</li><li>• Deputy Executive Commissioners</li><li>• Inspector General</li></ul>



Contracts/Threshold Limits	Authority/Delegation
All agency contracts, extensions, renewals, amendments; binding and non-binding commitments from \$0.00 to \$999,999.99 for respective agency divisions/programs, as approved by the respective agency Commissioner or the Executive Commissioner	<ul style="list-style-type: none"> <li>• Deputy Commissioners</li> <li>• Associate Commissioners</li> <li>• Assistant Commissioners</li> <li>• Chief Operating Officers</li> <li>• Deputy Inspector General</li> <li>• Chief Financial Officer</li> <li>• State Hospital Superintendents</li> <li>• State Supported Living Center Directors</li> </ul>

**Notes:** Delegation of authority may not be delegated to any other staff without prior Executive Commissioner approval. In addition, delegation requires the identified authority to comply with established rules, policies, processes, and/or procedures.

Purchase orders exceeding \$1,000,000.00 shall continue to be signed by Procurement and Contracting Services' certified purchasers, with prior approval from the Executive Commissioner or his designee.

Open enrollment client services contracts have a stated value of \$0.00, due to the fact that there's no guarantee of any amount of payments to the providers under those contracts. Therefore, open enrollment client services contracts will be signed by the respective agency signature authority for this level. For other contracts that are identified as \$0.00 in value, the historical spend or expected spend on such contract shall be used to determine by whom the contract must be signed. For example, if the system enters a public education contract with a guaranteed value of \$0.00 but has historically spent \$3,000,000 on the contract, then the contract would have to be signed by the Executive Commissioner or the Chief Deputy Executive Commissioner.

Signature authority for each legally binding document is based on the estimated dollar value of that document. For example, if there is a \$200,000 amendment to a \$20 million contract, the amendment would be signed by a person with delegated authority to sign legally binding documents in the amount of \$200,000.



## **Inquiries**

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